

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Federal-State Joint Board on	)	CC Docket No. 96-45
Universal Service	)	
	)	
1998 Biennial Regulatory Review –	)	CC Docket No. 98-171
Streamlined Contributor Reporting	)	
Requirements Associated with Administration	)	
of Telecommunications Relay Service, North	)	
American Numbering Plan, Local Number	)	
Portability, and Universal Service Support	)	
Mechanisms	)	
	)	
Telecommunications Services for Individuals	)	CC Docket No. 90-571
with Hearing and Speech Disabilities, and the	)	
Americans with Disabilities Act of 1990	)	
	)	
Administration of the North American	)	CC Docket No. 92-237
Numbering Plan and North American	)	NSD File No. L-00-72
Numbering Plan Cost Recovery Contribution	)	
Factor and Fund Size	)	
	)	
Number Resource Optimization	)	CC Docket No. 99-200
	)	
Telephone Number Portability	)	CC Docket No. 95-116
	)	
Truth-in-Billing and Billing Format	)	CC Docket No. 98-170

**COMMENTS OF ACUTA IN RESPONSE TO PETITIONS FOR RECONSIDERATION**

ACUTA, Inc.: The Association for Communications Technology Professionals in Higher Education (“ACUTA”) respectfully submits these comments in response to the Ad Hoc Telecommunications Users Committee’s (“Ad Hoc’s”) Petition for Limited Reconsideration (filed Jan. 29, 2003) in the above-captioned proceedings. ACUTA is a non-profit association whose members include over 820 institutions worldwide, including 797 within the United States. ACUTA members include both large and small non-profit institutions of higher education, ranging from institutions with several hundred students to major research and teaching institutions with greater than 25,000 students. ACUTA member representatives are responsible for managing telecommunications services on college and university campuses. In that capacity, ACUTA members provide telecommunications services to students in their residence halls and

other campus-owned housing. Specifically, ACUTA supports Ad Hoc's proposal to limit the assessment of administrative mark-ups on universal service contributions.

### **Impact on End Users**

In general, ACUTA commends the Commission on its action to prevent carriers from unreasonably marking up universal service assessments on customer bills. However, the Commission's reforms may have exacerbated the underlying problem. As Ad Hoc noted, "carriers would be permitted to recover certain 'administrative costs' associated with USF-related collection and remittance activities in end-user rates, provided that these are not 'characterized as federal universal service contribution recovery charges.'" Ad Hoc at 2. In essence, the Commission has only shifted the administrative mark-ups from the universal service line item to a different line item on end-user bills. Ad Hoc has proposed a limit on any markup: "an administrative surcharge no higher than one percent (1%) of the amount of money collected for remittance to the USF." Ad Hoc at 8. ACUTA opposes any administrative surcharge because the costs to carriers to collect universal service contributions are a cost of doing business. However, if the Commission concludes that an administrative surcharge is permissible, the Ad Hoc proposal should be the maximum amount of any surcharge.

Further, the Commission should take this opportunity to revisit its decision to allow contributors to take "a fresh look at existing contracts and...renegotiate contractual terms that prohibit the pass-through of universal service recovery charges." Order at ¶ 59. A fresh look is not warranted. By allowing carriers to force customers to permit the pass-through of universal service contributions, the Commission will increase (in some instances significantly) the cost to provide service to campuses. These long-term contracts were mutually agreed upon and entered into voluntarily. In many of these deals, a carrier's willingness to prohibit USF pass-throughs was a significant factor in awarding the contract to a particular carrier. Moreover, carriers have been aware since at least the *Truth in Billing NPRM* in 1998 that the FCC was considering changes to how carriers could recover universal service charges from end users. In structuring their winning bids to eliminate USF pass-throughs, carriers were taking a business risk that the policy may change. Those carriers should not be the beneficiaries of their miscalculations.

### **Conclusion**

The Commission should reconsider its interim measures in order to protect customers from unlimited administrative markups, and limit carriers' ability to amend negotiated contracts.

Respectfully Submitted,

Jeanne Jansenius  
President  
ACUTA, Inc.  
152 West Zandale Drive, Suite 200  
Lexington, Kentucky 40503

On behalf of ACUTA

Dated: February 27, 2003

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